

Exhibit 27

Homeless Penthouse Brand History

by Victor Williams – April 18, 2021 in Business



The story of [Homeless Penthouse](#) would be one worth a case study due to its admirable success in the world of ecommerce, but for its story this bio might be even more suiting as it reminds us of an overlooked but essential key to business: perseverance.

In just a few years time, [Homeless Penthouse](#) has transitioned from a wholesale Jewelry business on its last legs to one of the hottest home decor brands today. Founded by Jonathan Anand in late 2018 out of desperation to keep his lights on and his failing jewelry business afloat. Specializing in art and home goods [Homeless Penthouse](#) has established itself as a valid decor curator over the course of the last four years.

The story of [Homeless Penthouse](#) starts way before that, and it starts with a person rather than a business idea. The story of [Homeless Penthouse](#) starts with Jonny Homeless.

After founding his first real business endeavor at age 22, a wholesale jewelry brand called J GROUP NY Jonathan took his first company from zero to multi million dollar sales in a matter of months by actively attending trade shows and commercialising his keen sense of fashion and branding. Mainly focusing on specialty Chain stores such as [Tillys](#), [Zumiez](#) and [RUE21](#) J GROUP NY dominated the US bling bling market and quite literally paved the way for mens urban fashion jewelry in major

department stores from 2013 to 2017. During this time [Jonny Homeless](#) was riding the ultimate business high with his sales touching 10 million per year. His biggest clients were ordering hundreds of thousands of dollars worth jewelry on single orders.

It seemed as if J GROUP was going to steadily keep growing, but with the decline of brick and mortar stores and the rise of ecommerce Jonathan unknowingly took one of his final jewelry orders. The deal was that his customer, a store with over 1500 locations at the time, had been planning something sinister clothed in a holiday jewelry order. The order consisted of 300,000 necklaces with a total value of \$750,000; it was Jonathan's largest single order ever. Super excited he proceeded to pump his supplier up to extend his credit line in order to fulfil the order. The order was placed and about a month later it started to be delivered as planned for the holiday season. Typically these kinds of orders aren't paid up front with cash, so with the help of his supplier and the bank Jonathan was able to extend credit to the customer for their term of 90 days. 90 days later Jonathan receives a check for \$75,000 as payment for the holiday purchase order. 675,000\$ short the client gave the excuse that the labels on the box were placed incorrectly and that if the Vendor Compliance guide was followed correctly the chargeback would not have happened. In the same day news also broke out that the same customer just filed for Chapter 11 and were in the process of restructuring the company.

It was now obvious that this whole situation was all planned from the persuasion to accept the order to the massive chargeback that followed. Now with his head spinning Jon had to face the bank and his supplier. With all of his money sunk in this doomed deal and other previous receivables Jonathan was forced to face the music. He remitted most of the customers payment to the supplier and the bank took over the rest of his receivables. Jonathan was forced to downsize in an extreme way. With no way to pay the rent on his huge New Jersey warehouse He was forced to lay off all but one of his employees and relocate to a smaller space in Brooklyn. With J GROUP NY now dead and buried, Jonathan was back at the drawing board. Barely being able to afford his office rent jonathan was forced to give up his manhattan apartment. Without a place to call home, Jonathan began staying with friends and camping out in his office. It was then when he became truly homeless.

Now trying anything and everything to stay afloat and in business Jonathan in an act of desperation swiped up on a facebook dropshipping guru ad. He did not purchase the course but he began researching dropshipping and testing what works. He applied this concept in a couple ways. First was traditional dropshipping B2C also dropshipping to his wholesale clients B2B. Selling anything and everything from clothes to tech. Working this way for a few months he was almost out of crisis mode by the holidays but due to a slow season and customers not buying, he fell into another rollercoaster ride of not being able to pay rent. Luckily one of Jonathan's close highschool friends which happens to be an NYC Real Estate Heiress saw the struggle and offered her hand to help. They began to work on the project that would later be known as Homeless Penthouse. Now with his friend being able to help finance part of the business, Jonathan was able to get back to his specialty, marketing.

He began to build out the website while also testing different items, concepts and marketing.

After testing a couple other niches without anything working the two became frustrated. With patience dwindling down quickly, it was Jonathan's idea to throw a hail mary play and totally make a website out of things that he always wanted but couldn't afford. Mainly hypebeast home decor and

art. The website was every hypebeast's dream. It had all the rarest items from [Supreme](#), [KAWS](#) and [Murakami](#) in addition to finely curated wall art, and custom designs. Satisfied with the way the site looked Jonathan proceeded to start advertising on social media. It was an instant success. The first night live their sales hit 7,000\$ and with each day passing the numbers kept doubling and doubling.

However, it couldn't have been a worse time blow up. Dead in the middle of Chinese New Year all of Jonathan's connections with factories and wholesalers were closed. With sales keep going up Jonathan kept scaling the ads and within a week had more than 300,000\$ in orders that haven't been shipped. Chinese new year was coming to an end and Jonathan caught the next flight to Shanghai to sort the supply chain out. His second time in China Jonathan was in no way an expert on the country, he had one supplier from J GROUP days named Jin which came to pick him up from Pudong intl airport. After meeting each other face to face for the first time The two immediately jumped on a bullet train to China's interior barreling down the rails at 300kmh. Their destination was Yiwu, an international trade city next to Shanghai.

With chinese new year finished and factories accepting orders there were over 3000 orders to fulfil. The NYC team was busy handling customer support, Jin in charge of warehousing and shipping, it was time for Jon to turn his VPN on (Facebook is banned in china) and get to some good ol' American marketing. As expected the business grew exponentially so Jon decided to stay in China to focus on sourcing new items. Living out of a Supreme suitcase purchased in a Shanghai market for a hundred bucks Jonathan proceeded to travel to different cities within China to find new factories and markets. Back and forth from Shanghai to Hong Kong, Shenzhen, Guangzhou and back to Yiwu to oversee the shipping and operations. He says just by not going back to NYC and to staying in China he was able to turn his business and life around. The people he met and experienced are priceless to him.

With a couple years under its belt, the Homeless Penthouse brand also evolved into a budding new art medium of sorts, aiming to educate, connect and convert patrons of their brand through their creative content, thus launching [Homeless Penthouse Magazine](#) and its [YouTube Channel](#). Today apart from the store, Shop Homeless Magazine produces original content daily, covering vast topic resources on contemporary arts, fashion, street style, interior design, home decors, and travel series around the globe. With 4K city walkthrough tours and biographical series about Contemporary artists, musicians, and designers, the media is only gonna get better and the views are only gonna get bigger.

Coming up on their fourth year in business [Homeless Penthouse](#) has become one of the most influential and infamous home decor brands to ever do it. The team has grown to over 30 people across 3 continents. With clientele ranging from billionaires, heiresses, actors, and musicians it's plain to see that most people like to shop their home for less.

Tags: [Jewelry Business](#)

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